

***DISTRIBUTION LIMITED TO BOEING EMPLOYEES UNLESS AUTHORIZED BY
CONTRACTS & RISK MANAGEMENT (C&RM), CONTRACT GOVERNANCE.***

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**SUPPLIER MANAGEMENT
PRIME CONTRACT SUMMARY
The Boeing Company**

Issue Date of PCS: February 12, 2025

Program Name: Grayson

Prime Contract/Order Number: PROP OE Contract

Customer: PROPRIETARY

Administered by: PROPRIETARY

Contract Type: Cost Plus Fixed Fee (CPFF)

Prime Contract Funding: Fully Funded

Boeing Contract Representative: DiProspero Jamie

PCS Prepared By: Cremer, Christopher A.

Prime Contract Reviewed by CRM: No

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General:

This Prime Contract Summary (PCS) sets forth the required Special and General Provisions of the prime contract. Unless otherwise noted in the body of the PCS, references to "Clause" or "Clauses" refer to the terms and conditions in the Boeing Defense, Space and Security (BD) Common Terms and Conditions. Procurement agents should review the BDS Common Clauses for possible inclusion in their purchase contracts (See the [Enterprise Contracting Notebook \(ECN\)](#) on the [Supply Chain Resource Portal](#) for the use of these clauses). **The PCS does not provide an exhaustive list of prime contract requirements of interest to procurement agents.**

Procurement agents should obtain, as necessary and from the responsible organizations, other prime contract requirements such as, but not limited to, deliverable data, prime contract warranty requirements, technical requirements, quality, schedule, configuration control, and logistics support. In the event a prime contract flow down requires the supplier to submit documentation or report information to Boeing or the customer, the submitted information/documentation should be sent to the Boeing Contract Representative.

For ET&T procurements, refer to the corresponding ET&T PRO/processes for additional information and guidance.

If a link to a clause threshold is included in any of the guidance below, the PA is required to review the reference to confirm the applicable threshold in effect as of the date of subcontract award. The guidance includes the threshold in effect as of the date of PCS creation, but the threshold could change from date of prime award and date subcontract award.

1. Purchase Contract Terms and Conditions

The general provisions of this contract consist of selected FAR provisions, Government agency clauses (DFARS/NFS/NRO/etc.) and special provisions. Incorporate the appropriate GP-series General Provisions. Incorporate a copy of the **preliminary CCR*** in the RFP. In addition, incorporate clause H203 in PCs for commercial products or commercial services as defined in FAR Part 2. The GP-series General Provisions and the CCR meet prime contract requirements except as may otherwise be noted below. (NOTE: If required, include clause H900 in accordance with the clause-applicability statement for H900.)

*Since Boeing is still in the RFP/proposal cycle with a potential customer, the preliminary CCR cannot be stored on the external web. Preliminary CCRs can be found on the [Preliminary CCR page](#).

(NOTE: The remainder of this PCS reflects requirements that are expected to apply if Boeing is awarded the anticipated contract.)

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2. Advance Notification and/or Consent to Issue

The prime contract incorporates FAR 52.244-2, Subcontracts (Jun 2020), Alternate I (JUN 2020). Advance notification is required for any fixed-price subcontract that exceeds *[insert the LESSER of either the applicable simplified acquisition threshold value as defined in FAR 2.101 on the date of subcontract award or 5% of the prime contract value]* and any cost-plus-fixed-fee subcontract. The advance notification must include the following information:

- (1) A description of the supplies or services to be subcontracted.
- (2) Identification of the type of subcontract to be used.
- (3) Identification of the proposed subcontractor.
- (4) The proposed subcontract price.

3. Intellectual Property Provisions

3. Data Rights

The data rights provisions in this prime contract are included in the general terms and conditions, in Customer Contract Requirements or are specified in this PCS.

4. Certifications

4.1 Truth in Negotiations Act (TINA)

The prime contract includes FAR 52.215-12, Subcontractor Certified Cost or Pricing Data and FAR 52.215-13, Subcontractor Certified Cost or Pricing Data - Modifications. In implementing the requirements of this clause, include clause A701 in all solicitations expected to exceed the cost or pricing data threshold in [FAR 15.403-4\(a\)\(1\)](#) on the date of agreement on price or date of subcontract award*, whichever is later; or before pricing any subcontract modification involving a pricing adjustment expected to exceed the threshold for submission of certified cost and pricing data in [FAR 15.403-4\(a\)\(1\)](#).

*The dollar threshold for compliance with these requirements is currently **\$2M** (as of the date of prime contract award). However, since the threshold applicable depends on the date of agreement on price or date of the award, whichever is later, the PA should check the threshold at the FAR reference above.

When cost or pricing data is required, the procurement agent must obtain a Certificate of Current Cost or Pricing Data. Refer to [PRO-7092](#) and [BPI-639](#) for further information and guidance.

DISTRIBUTION LIMITED TO BOEING EMPLOYEES UNLESS AUTHORIZED BY CONTRACTS & RISK MANAGEMENT (C&RM), CONTRACT GOVERNANCE.

4.2 Requirements for Certified Cost or Pricing Data Other Than Certified Cost or Pricing Data, Alt I

The customer RFP includes 52.215-21, Alt I Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data-Modifications, which allows Boeing to submit certified cost or pricing data, data other than certified cost or pricing data, and supporting attachments in an alternative format. The clause has been flowed in the CCR, and Boeing subcontractors are required to submit certified cost and pricing data, data other than certified cost or pricing data, and supporting attachments in the following format: Boeing requested format.

4.3 Cost Accounting Standards

The prime contract includes FAR 52.230-2, Cost Accounting Standards, and FAR 52.230-6, Administration of Cost Accounting Standards. Unless exempt, solicitations and purchase orders in excess of the lower CAS threshold specified in [FAR 30.201-4\(b\)](#) on the date of subcontract award* are subject to Cost Accounting Standards. Use Clause A700 in all solicitations expected to exceed the CAS threshold. Use [Form X31631](#) for the certification (form can be found in [BPI-639](#)).

*The dollar threshold for compliance with these requirements is currently \$2M (as of the date of prime contract award). However, since the threshold applicable depends on the date of subcontract award, the PA should check the threshold at the FAR reference above.

Unless exempt, the subcontract must include one of the following CAS clauses:

If the supplier is subject to full coverage (FAR 52.230-2), use clause H001.

If the supplier is subject to modified coverage (FAR 52.230-3), use clause H002.

If the supplier is an educational institution (FAR 52.230-5), use clause H004.

If the supplier is a foreign concern subject to CAS coverage (FAR 52.230-4), use clause H007.

In all subcontracts subject to CAS, include the following free note: The threshold associated with the Cost Accounting Standards clause incorporated in this Contract is the lower threshold specified in FAR 30.201-4(b) on the date of subcontract award.

Within 30 days after award of each subcontract that includes H001, H002, H004, or H007 send a completed [X32738](#), Notice of Cost Accounting Standards (CAS) – Covered Award, to the Cognizant Federal Agency Official (CFAO). (Some sites have arranged with the CFAO to fulfill this requirement by use of a consolidated report.)

Refer to [BPI-639](#) for further information and guidance.

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4.3 Combating Trafficking in Persons

The prime contract includes FAR 52.222-50, Combating Trafficking in Persons. Include clause A717 and [X37101](#) CERTIFICATION REGARDING COMBATING TRAFFICKING IN PERSONS in all solicitations that are (i) expected to exceed **\$550,000** and (ii) for supplies/services to be acquired/performed outside the United States (except for commercially available off-the-shelf-items). **NOTE:** [X37101](#) is required **PRIOR TO AWARD**. If the Supplier returns a completed [X37101](#) with their proposal and is subsequently awarded the contract, the certification is required to be updated annually, throughout the performance period of the contract via Boeing's On-Line Annual Representations and Certifications in SPVR. If the completed [X37101](#) indicates the Supplier has not certified to the implementation of a compliance plan to prevent prohibited activities, or has identified abuses relating to prohibited activity, the procurement agent should contact SC Human Trafficking for additional guidance.

5. Socio-Economic

5.1 Subcontracting Plan Certification

This prime contract incorporates FAR 52.219-9, Small Business Subcontracting Plan. Where the anticipated contract may exceed the applicable threshold specified in [FAR 19.702\(a\)](#) **on the date of subcontract award*** including firm options prices, the procurement agent must obtain a Small Business Subcontracting Plan or an [X31162](#), Small Business Subcontracting Plan Certificate of Compliance, from the supplier indicating that the supplier is in full compliance with the requirements of FAR 52.219-9. Include clause A709 in the solicitation in order to obtain the required certification from the supplier prior to issuance of any purchase contract. Refer to Procedure [PRO-5181](#) for further information and guidance. (If the prime contract includes FAR 52.244-6, the requirements of this paragraph are not applicable to procurements for commercial products and commercial services as defined FAR Part 2.101.) (See Individual Subcontracting Plan, attached.)

*The dollar threshold for compliance with these requirements is currently **\$750,000, (\$1,500,000** for construction of a public facility) (as of the date of prime contract award). However, since the threshold applicable depends on the date of subcontract award, the PA should check the threshold at the FAR reference above.

5.2 Equal Opportunity

The prime contract contains FAR 52.222-26, Equal Opportunity. Procurement agents shall comply with their local site requirements regarding the certification required by this FAR clause prior to issuing a purchase contract. Refer to [POL-2](#) and [PRO-6933](#) for further information and guidance.

5.3 Small Business Information

In order to assure that the company receives full credit for small business and labor surplus area participation, include Clause A012 in all RFQ's issued under this prime contract.

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6. Government Property

6.1 Government Property Installation Operation Services

The customer contract includes 52.245-2. It lists the following items of government property in paragraph (e). Refer to [BPI-622](#) for further guidance.

7. Foreign Procurements

7.1 Duty-Free Entry

This prime contract contains FAR 52.225-8, Duty-Free Entry. This provision provides for duty-free entry for certain items designated in the contract. The following items are designated in the prime contract as being procurable with duty-free entry:

None.

This Provision also provides that if items in excess of \$15,000 are to be imported into the United States for incorporation into deliverable products that are not designated in the prime contract, this clause provides for the request for duty-free entry from the contracting officer. This request shall be furnished to the Contracting Officer at least 20 days before the importation of such items. This request shall include (1) the foreign supplies, (2) the estimated amount of duty, and (3) the country of origin. Refer to [PRO-6630](#) and [BPI-6737](#) for further information and guidance.

The buyer shall coordinate with Export/Import Operations regarding appropriate shipping instructions to be included in such order.

8. Contract Financing

8.1 Progress Payments

The prime contract incorporates FAR 52.232-16, Progress Payments. The prime progress payment rate is 80%. Refer to [PRO-6960](#) for further guidance in regard to the approval process.

9. Security and Classified Data

9.1 Security Classification

The prime contract may require the procurement of classified items. Comply with the Corporate Security Manual. Refer to [PRO-1877](#) for further information and guidance.

10. Commercial Products and Commercial Services and Commercial Components

The prime contract includes FAR 52.244-6, Subcontracts for Commercial Products and Commercial Services. If the goods purchased under the contract qualify as a commercial product or commercial service in accordance with [PRO-4605](#), include clause H203 in the purchase contract.

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11. Other Customer Contract Requirements

11.1 Acquisition Restriction Clauses

The prime contract or clause H202 incorporates 52.204-23, Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab Covered Entities. Contractors and suppliers are prohibited from providing any Kaspersky Lab covered article in the development of data or deliverables first produced in the performance of the contract. “Kaspersky Lab Covered article” means any hardware, software, or service that (1) Is developed or provided by a Kaspersky Lab covered entity; (2) Includes any hardware, software, or service developed or provided in whole or in part by a Kaspersky Lab covered entity; or (3) Contains components using any hardware or software developed in whole or in part by a Kaspersky Lab covered entity. “Kaspersky Lab Covered entity” means (1) Kaspersky Lab; (2) Any successor entity to Kaspersky Lab, including any change in name, *e.g.*, “Kaspersky”; (3) Any entity that controls, is controlled by, or is under common control with Kaspersky Lab; or (4) Any entity of which Kaspersky Lab has a majority ownership. If a supplier notifies the PA that they will be using Kaspersky Lab covered articles, they are required to report certain information to Boeing. Once received, provide the reported information to the Boeing Contracts Representative.

The prime contract incorporates FAR 52.225-1 Buy American - Supplies. This requires the supplier to deliver only domestic end products, except to the extent that it specified delivery of foreign end products in their proposal. The buyer should notify the Contract Representative if the supplier designates other than domestic end products in their proposal.

The prime contract incorporates 52.225-3 Buy American Act-Free Trade Agreement-Israel Trade Act. This requires the supplier to deliver only domestic end products except to the extent that, in its proposal, it specified delivery of foreign end products in the “Buy American Act- Free Trade Agreements-Israeli Trade Act”. The buyer should notify the Contract Representative if the supplier designates other than domestic end products, except to the extent that, in its proposal, it specified delivery of foreign end products in the “Buy American Act- Free Trade Agreements-Israeli Trade Act in their proposal.

The prime contract incorporates FAR 52.225-5 Trade Agreements. Unless otherwise specified, this requires the supplier to deliver only U. S. made or designated country end products except to the extent that, in its proposal, it specified delivery of other end products. The buyer should notify the Contract Representative if the supplier designates other than U.S. made or designated country end products in their proposal.

The prime contract incorporates 52.225-13 Restrictions on Certain Foreign Purchases. Except as authorized by the Office of Foreign Assets Control (OFAC) in the Department of the Treasury, this clause prohibits Boeing and a supplier from entering into most transactions involving Cuba, Iran, and Sudan, as are most imports from Burma or North Korea, into the United States or its outlying areas. Lists of entities and individuals subject to economic sanctions are included in OFAC’s List of Specially Designated Nationals and Blocked Persons at <https://home.treasury.gov/policy-issues/financial-sanctions/specially-designated-nationals-and-blocked-persons-list-sdn-human-readable-lists>. Buyers should notify the Contract Representative if a supplier indicates that it cannot or is unwilling to comply with the requirements of this clause.

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The prime contract incorporates 252.223-7009 Prohibition of Procurement of Fluorinated Aqueous Film-Forming Foam Fire-Fighting Agent for Use on Military Installations. This clause requires that Boeing not provide or use any foam fire-retardent agent that contains perfluoroalkyl substances or polyfluoroalkyl substance in excess of one part per billion. Buyers should notify the Contract Representative if a supplier indicates that it cannot or is unwilling to comply with the requirements of this clause.

11.2 Packing, Marking, and Shipping

In the event a supplier will be directly shipping to the customer, please contact the program and Contracts and Pricing to establish and ensure the supplier complies with shipping, marking, and packing requirements included in the prime contract.

11.3 Royalties

The prime contract does not contain a royalties provision. Therefore, there are no requirements for royalty reporting.

11.4 End Use Certificate/Statement

For purposes of completing End Use Certificate/Statements, the following information regarding the ultimate end use country for deliverables under the Contract is provided:

- At the time of generating the PCS, the specific end use country is unknown. Please follow process for ultimate end use country identification found in Form [X31116](#).

11.5 Prime Contract Provisions Containing Relief for Boeing

For purposes of completing [Contract Risk Management Summary \(CRMS\)](#), the prime contract incorporates the following:

- 52.245-1 Government Property
- 52.245-1 Government Property, Alternate I
- 52.245-2 Government Property Installation Operation Services
- 52.245-9 Use and Charges
- 52.246-23 Limitation of Liability
- 52.246-24 Limitation of Liability – High-Value Items
- 52.246-25 Limitation of Liability – Services